

Minutes of the Finance Committee

Wednesday, March 17, 2004

Chair Haukohl called the meeting to order at 8:47 a.m.

Present: Supervisors Pat Haukohl (Chair), Bonnie Morris, Don Broesch, Joe Griffin, Joe Marchese, Genia Bruce, and Jim Behrend.

Also Present: Legislative Policy Advisor Mark Mader, Parks Systems Manager Jim Kavemeier, Federated Library Director Tom Hennen, Library Services Coordinator Claudia Backus, Senior Financial Analyst Andy Thelke, Employment Services Manager Sue Zastrow, Principal Financial Projects Analyst Bob Ries, County Board Supervisor Rodell Singert, Budget Manager Keith Swartz, Senior Financial Analyst Mike Baniel, Emergency Government Coordinator Jim Malueg, and Senior Financial Analyst Clara Daniels.

Approve Minutes of March 3 and 9, 2004

MOTION: Marchese moved, second by Broesch to approve the minutes of March 3. Motion carried 7-0.

MOTION: Griffin moved, second by Morris to approve the minutes of March 9. Motion carried 6-0. Behrend was absent for the vote.

Executive Committee Report

Haukohl said the Executive Committee, at their last meeting, discussed changing the County Code with regards to the sale of tax deeded properties and allowing the County to sell parcels below appraised values. Treasurer Pam Reeves explained Act 123, recently passed by the State Legislature. To coincide with Act 123, the committee recommended that an ordinance be forthcoming to allow the Executive Committee to review these parcels and determine which ones should be sold below appraised values.

Schedule Next Meeting Dates

April 7

Announcements

Griffin said there's a lot at stake with meeting the SACWIS implementation June deadline and it's important this be monitored by the Finance or Health & Human Services committees and/or the Information Management Panel.

Per Administration Director Norm Cummings, Haukohl said one of the new rules regarding outside audits of the County or any governmental unit is that they must meet with an elected official who's involved in the budgeting process. Cummings asked Haukohl who obliged. One of the questions asked of her was if there were any discussions on ways to prevent fraud. Haukohl informed her not specifically, however we carefully scrutinize the budget each year, review quarterly financial reports, and utilize the Internal Audit function. Haukohl said this

person was impressed with the Finance Committee's annual reports schedule and took a copy back with her to Madison.

Broesch, referring to a newspaper article on Menomonee Falls' debt amount, said Menomonee Falls officials are adding the amount of interest to be paid over the length of the bond, to the face amount, and are stating that's what the debt amount is.

Correspondence

Copies of the official statement of the 2004 bond issue were made available.

Future Agenda Items

Next Meeting: Legislative Update

Ordinance 158-O-148: Approve Acquisition of the Smart Property – Town of Mukwonago

Kavemeier distributed information on the Smart property acquisition including location and site maps, and pictures. The acquisition is included in the Town of Mukwonago Open Space Plan and funds are available in the Tarmann fund. The purchase price of the 30+-acre property is \$288,750 (\$9,625 per acre) and includes wetlands, woodlands, and a lake. Kavemeier advised this amount is between the two appraisals they had received. Other costs associated with the acquisition are estimated to be \$1,832. Although no state or federal funds are available for the purchase, the County received a Letter of Retroactivity from the State which maintains the County's eligibility for partial stewardship funding of said acquisition if funds become available.

MOTION: Behrend moved, second by Broesch to approve 158-O-148. Motion carried 6-1. Marchese voted no because he thought the County was paying too much for the property.

Ordinance 158-O-150: Modify the 2004 Waukesha County Federated Library State Aids and Federal Fund Budget for One-Time Shared Automation Expenses Through the Appropriation of State Aids and Federal Special Revenue Fund Balance

Hennen discussed this ordinance which involves appropriating \$400,000 in State Aids for the purpose of funding WCFLS shared automation activities. This includes \$253,000 which will be distributed to member libraries to aid in developing a system-wide shared automation system. It also includes \$80,000 to expand the server to incorporate the Big Bend, Butler, Sussex-Lisbon, and Mukwonago libraries. \$67,000 will be used for equipment and contractual services to replace WAN which provides Internet connectivity and shared system access between the 16 member libraries.

MOTION: Behrend moved, second by Morris to approve 158-O-150. Motion carried 7-0.

Ordinance 158-O-151: Modify the 2004 Federated Library Budget to Increase Library and Technology Act Grant Expenses and Revenues to Provide Public and Library Staff Training

Hennen discussed this ordinance which involves accepting \$23,297 in state aids and federal grant funds to be used for public Internet usage training costs and library staff automation software application training.

MOTION: Marchese moved, second by Behrend to approve 158-O-151. Motion carried 7-0.

Ordinance 158-O-152: Endorse the Receipt and Expenditure of Gates Grant Funds to Provide Training to Library Staff

Hennen said this ordinance involves accepting a \$2,700 Gates Foundation Grant to cover Microsoft Office Suite training costs for member libraries staff.

MOTION: Broesch moved, second by Behrend to approve 158-O-152. Motion carried 7-0.

Ordinance 158-O-153: Endorse the Receipt and Expenditure of Federal Funds to Improve Literacy and Reading Skills for Second Language Learners - Las Bilbliotecas Grant

Hennen said this federal grant, totaling \$28,875, is for a project entitled Las Bilbliotecas son Para Todos. These funds will be used to improve library services to second language learners through the purchase of library material, library staff training, and outreach programming.

Marchese felt it was important that those who live in America should know the English language. Haukohl said this was a concern of hers as well but she supports efforts to attract people to the libraries.

MOTION: Morris moved, second by Griffin to approve 158-O-153. Motion carried 7-0.

Information Management Panel Report

Bruce said a key discussion item was e-mail guidelines relative to open record laws. Corporation Counsel Tom Farley said at this point, open record laws apply to e-mails even though there is still some confusion at the State level. The primary concern for the Information Systems Division is storing this information because if the servers get too full the whole system could go down. Principal Assistant Corporation Counsel Danni Caldwell will inform departments that they're responsible for archiving their own e-mails and IS will set up a regular deletion schedule. The County's retention schedule is based on State Statutes and the public's right to access. Bruce advised that elected officials are the custodians of their own e-mails. The panel will continue discussing this issue at future meeting(s). County Board Chief of Staff Lee Esler pointed out that an ordinance is on file which states there is a County Records Retention Committee and they have the authority to introduce new media technology relative to records retention but questions remain as to who's on this committee and if and when they meet. Haukohl said it would be up to this body to come up with a policy which inevitably will need to be done.

They also received an update on the Communications Center. Spillman installed the geo-base module February 23 but the protocols committees are running behind schedule in coming up with the information for IS to get it up and running. They are, however, increasing the frequency of their meetings so they can get caught up. The grand opening is still scheduled for May, however, the go-live date of May 22 is not firm. Everything is in place – they just need to make sure the software is working properly.

They also heard an update on Department of Senior Services technology support and the Health & Human Services SACWIS project. (See March 3, 2004 Finance Committee minutes for more information).

Annual Report on Performance Evaluations and Rewards

Zastrow reviewed her report on employee performance awards and evaluations. The total possible cost if everyone received the maximum base and non-base awards in 2003 would have been \$842,201. The total budgeted cost for base and non-base awards for 2003 was \$494,450. The total actual cost for 2003 base and non-base awards was \$469,102, and the total number eligible was 314. These compare to 2002 figures of \$779,795; \$549,120; \$428,124; and 304, respectively. Non-base accumulating performance awards totaled \$269,209 which compares to \$236,761 in 2002. In 2003, 314 were eligible and 258 received the award. Total performance awards added to base salaries in 2003 was \$199,893 which compares to \$191,363 in 2002. In 2003, 194 were eligible and 170 received an award.

Year-End Report on Investments

Ries discussed this issue outlined in his reports which included information on valuation at cost, valuation at market, total County investment income (1997 to 2003), County investment portfolio by investment type and by investment advisor, portfolio holdings, etc. Ries said 4th quarter returns increased from 0.69% to 0.75%. This is largely due because we drew down considerably on our state investment pool and our AIM Federated Money Fund which is our operating cash which is typically done in the 4th quarter. The overall return on investments for the County in 2004 was 3.5%. Total interest earnings were \$6,071,158. After allocations, the Treasurer's interest is projected to be \$4,579,723 which is approximately \$570,000 below the budgeted amount due to low market rates.

Year-End Report on General Funds

Swartz and Baniel discussed their report entitled "2003 Year-End Budget Monitoring Summary Report – General Fund Operations." The preliminary, unaudited year-end results showed an overall favorable budget variance of \$4.6 million or just under 4.2% from the modified budget. The 2003 expenditures, including purchase order/carryover commitments of \$75.2 million, result in remaining unexpended budget appropriations of about \$2.8 million or just over 3.6%. Revenues for 2003, excluding tax levy and planned fund balance use, totaled \$34.4 million which is about \$1.8 million or 5.5% above the revenue budget. Baniel and Swartz went on to review each department/fund as outlined.

Fund Transfer 2004-0-1: Emergency Management – Transfer Funds from Fixed Assets to Operating Expenses

Malueg discussed this fund transfer which involved transferring \$121,000. He said they had allocated grant funding for a fire paging network system. Subsequent to the allocation, the purchase of this system was deemed ineligible as it was identified to be part of the 2003 approved Communication Center project. Federal rules for this grant do not allow for supplanting existing budgeted funds. Instead, these funds will be used to reimburse the City of Brookfield for their video surveillance and card access systems.

MOTION: Behrend moved, second by Bruce to approve Fund Transfer 2004-0-1, Emergency Management. Motion carried 7-0.

Fund Transfer 2004-35-1: Senior Services – Transfer Funds from Operating Expenses to Personnel Expenses

Daniels was present to discuss this fund transfer as outlined which involved transferring \$14,140 to fund two temporary extra help positions to assist with the department's Caregiver Program, not to exceed \$10,300; and to assist with data entry services, primarily for the Shared Fare Taxi Program, for a maximum of 440 hours at a cost of \$3,840. It was recommended by Human Resources and Risk Management staff that contracting for third party program assistance services should be provided through temporary extra help.

MOTION: Behrend moved, second by Marchese to approve Fund Transfer 2004-35-1, Senior Services. Motion carried 7-0.

MOTION: Behrend moved, second by Broesch to adjourn at 12:09 p.m. Motion carried 7-0.

Recorded by Mary Pedersen, Legislative Associate.

Respectfully submitted,

Joseph F. Griffin
Secretary